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NEWSLETTER

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TERM INSURANCE PLANNED FOR '43 DETAILS OF 1943 INFO PROGRAM MAPPED

Committee Believes FCI Is Year-Round Sell- ing Job

Representatives of four states comprise a crop insurance Information Committee which met in Minneapolis December 16 and 17 to plan and decide upon an information and program presentation schedule for the coming year. Appointment of such a committee was 1 of 12 program presentation recommendations approved at the annual FCI conference at Denver last November.

Members of the committee are Floyd B. Himes of Michigan, Archie M. Camp of Washington, Ed Kottas of Montana, and Wilmer T. Swink of Texas. These men, along with regional informational assistants, agreed unanimously that crop insurance must be sold and that adequate and timely information is essential for successful presentation of the crop insurance program.

The belief was expressed that well-planned use of information devices support the personal contact work which should be carried on by crop insurance representatives selected from the eligible wheat growers in counties, preferably community committeemen; that personal contact work should not stop with local farmers but must also include making crop insurance available to all absentee landlords and multiple landowners; and that state committees must allow and plan for adequate time in which to sell crop insurance to wheat growers in the most effective manner and at the appropriate periods of the year.

The committee, in their two-

READ THE NEWS!

Term Insurance in '43	1
New Info Program	1
Crop Prospects Good	2
Oregon Hazards	2
Personal Contact Selling . .	2
Results Sell Insurance . . .	3
Quality Insurance Studied .	3
Selling Pays Off	3
Neighboring Speaking	4
Farm Production Insurance .	5
Timely Tips	5
Idea Exchange	5
Utah Heavily Insured	5
Chinch Bugs in Nebraska . .	5
Climate in Reverse	6

day session, formulated specific plans as to what media should be used during the coming year and how and when to use them. These plans are substantially as follows:

1. Material shipped to county offices for distribution shall be accompanied by a suggestion as to what month the material is to be used, how distributed, and to whom it should be sent. In this connection it was agreed that crop insurance material bearing the government frank should be mailed separately if its timeliness would be destroyed by holding it for future mailing with other farm program material.

2. Crop insurance should get at least one radio mention a month except during the two months prior to deadlines when weekly mention by radio should be made.

3. Two direct mail cards, one urging participation to be mailed six to eight weeks before the deadline; the other thanking insured farmers for participating to be mailed shortly after the conclusion of the campaign.

(See INFO. PROGRAM page 6)

Conferees Adopt Several Other Constructive Changes

Growers who insure their 1943 wheat crop under the Federal crop insurance program will automatically have their 1944, and 1945 crops insured also, according to plans developed at the annual FCI conference in November. The insured grower may, however, upon written application prior to the closing date for applications on the 1944 crop cancel the term contract insofar as it applies to the crop planted for harvest in 1945. It was further agreed that at any time during the life of the contract the insured may terminate his insurance and enter into another similar contract in order to be insured on a basis more favorable to the grower.

The recommendation for 3-year term insurance was one of the most important ones adopted at the conference although various other changes will result to make the program more efficiently and effectively do the job it is designed to do, both from the standpoint of the insured and the Corporation.

The conference agreed that state committees should be permitted to establish, with the approval of the Corporation, the closing date for acceptance of applications in their respective states. It is a foregone conclusion, of course, that all closing dates will be such as will protect the Corporation from selectivity. Automatic, or compulsory, insurance was considered but it was recommended that (See TERM INSURANCE page 6)

SEEDED ACREAGE FOR 1942 DOWN; PRODUCTION UP

Expected Abandonment Far Less Than 10-Year Average

The Department's crop reporters have sent in figures on the amount of winter wheat seeded last fall which add up to the fact that the winter wheat acreage for harvest in 1942 is 14 percent less than for the 1941 harvest, and 18 percent below average. Only 39,318,000 acres of winter wheat were seeded last fall while 45,663,000 acres were seeded the previous fall.

Reduced plantings were general, in line with the reduced 1942 wheat acreage allotments. The decline in acreage in the soft wheat area was greater than it might have been, however, because of dry soil conditions at the usual time for plowing for wheat, followed by heavy rains causing wet fields at seeding time.

The Department's latest crop report points out that despite the difficulties experienced in getting seed planted last fall, the December 1 condition of 87 percent is unusually high. A year ago the December condition of winter wheat was 84 percent, and that was the highest since the December 1930 condition of 86 percent.

The generally excellent condition of the crop is attributed to ample moisture and warm, open weather which has continued the growth until a later date than usual. The early sown wheat, which in places was handicapped by insufficient moisture, made good growth after rains came, and much of the late sown wheat has had a longer than usual late growing season.

Present indications are that only 6.6 percent of the winter wheat acreage will be abandoned compared to 13.4 percent for the previous year and 19.2 percent for the 10-year average.

Factors affecting production which are measurable in the fall, such as reported condition, rainfall and temperature to date, related to yields in past years, indicate a 1942 wheat crop of

OREGON WHEAT CROP HIT BY 19 HAZARDS

Everything from birds to bugs --19 in all--took a bite or two out of Oregon's 1941 wheat crop according to Clyde Kiddie of the Oregon AAA office. For the state as a whole, plant diseases took the largest toll while dust storms took the smallest. Fortunately, all of these hazards were insured against on some of the farms where losses occurred.

Of the near 1,300 claims paid so far, only 122 came from the nine wheat counties in the Columbia Basin. Most loss claims have come from the Willamette Valley where insects and plant disease have hit hard. Hail and excessive moisture were the main causes of loss in eastern Oregon.

The percentage of loss caused by each hazard in the state is reported as follows: Plant diseases, 29.2 percent; excessive moisture, 18.2 percent; insects, 16.9 percent; hail, 9.9 percent; drought, 8.4 percent; frost, 5.6 percent; weeds, 2.5 percent; volunteer vegetation, 2.5 percent; migratory birds, 1.4 percent; rodents, 1.2 percent; winterkill, 1.1 percent; fire, 1 percent; crusting, 0.7 percent; wind, 0.5 percent; flood, 0.4 percent; lack of irrigation water, 0.3 percent; stray stock, 0.1 percent; poor farming practices, 0.1 percent; and dust storms, 0.05 percent.

All-risk insurance has been written for 5,563 Oregon farms so far on the 1942 crop compared with a total of 4,691 written last year on both spring and winter wheat. Approximately 137,000 bushels of indemnities have been paid to insured Oregon growers because of unavoidable loss to their 1941 wheat crop.

approximately 631 million bushels. This would be about 6 percent less than the 1941 production of 671,293,000 bushels but about 12 percent more than the average production. The indicated yield per seeded acre is 16 bushels compared with 14.7 bushels in 1941 and the average of 11.8 bushels. This 16-bushel yield would be the highest yield per seeded acre since 1931.

BUY DEFENSE STAMPS AND BONDS

PERSONAL CONTACTS GET BEST RESULTS IN NORTH DAKOTA

The personal contact method is by far the most effective way to sell crop insurance according to reports from 24 North Dakota counties in connection with the 1941 sign-up. Thirteen of these counties expressed the belief that personal contact, either by farm to farm canvass or in the county office, was most effective; five counties said that mailing applications to landlords and operators ready for signature got best results; four got best results through community and trade-center meetings; while two gave circular letters credit for being most effective.

A total of 42 counties responded to a general query designed to get information regarding the merits of various methods used to get representative participation in all counties. A summary of replies received shows that circular letters and community sign-up meetings are tied for most common usage, each being used by 38 of the 42 counties involved.

Several counties used nearly every informational device available to put the program over. Others made very little effort of any kind. The popularity of the various other media available to county offices as shown by the reports is as follows:

Mailing of yield and rate data to farmers was done in 30 counties; movies, 25 counties; county office contacts, 29 counties; mailing of completed applications to non-resident landlords for signature, 24 counties; newspaper stories, 23 counties; personal contact, 22 counties; bulletins or leaflets, 19 counties; posters, 8 counties; trade center sign-up meetings, 7 counties; exhibits, 4 counties; radio, 2 counties; and film strips were used in only 2 counties.

"The new 1942 farm production goals, revised in view of Pearl Harbor, call for the greatest production in the history of American agriculture, and for putting every acre of land, every hour of labor, and every bit of farm machinery, fertilizer, and other supplies to the use which will best serve the Nation's wartime needs."--Claude R. Wickard, Secretary of Agriculture.

RESULTS SELL CROP INSURANCE TO KANSAS FARMERS

They Believe Insurance Is As Necessary As Good Seed

Not drought and high winds, crop hazards with which Kansas is familiar, but 1941 floods and the hazards like rust that go with a wet season have sold eastern Kansas wheat farmers on the necessity of crop insurance. As a result, forty-three counties in the eastern part of the state have 43,482 farms insured compared with 30,094 a year ago.

In this eastern Kansas area, largely because of wet weather and floods in the river bottoms, insured farmers made claims for loss payments. This experience has convinced them that crop insurance is just as necessary as good seed wheat in the drill.

Just how hard hit some of the farmers were in this end of Kansas where growers are inclined to think of the wheat crop as a pretty sure sort of a thing is illustrated by the case of Ray Ewing of Marshall County, young tenant on an 82-acre Blue Valley farm. "What a break for me," he remarked as he surveyed the 13-acre waste which a few days before was considered good for a 250-bushel harvest. "My wheat insurance was the best investment of the year." His crop was a total loss.

Not all of the losses were taken by the small wheat growers. Alva Stryker and son, who also farm in the Blue River bottom, lost their entire crop of 127 acres. They too were lucky--perhaps just foresighted--for they had a crop insurance contract guaranteeing 2,293 bushels.

Says Harlan Deaver, prominent Brown County farmer, "We don't insure our barn and then hope it will burn--neither do we insure our crops and hope they will be destroyed, but when loss does come, it's mighty fine to have insurance, whether it's the barn or the wheat crop."

Eastern Kansas farmers agree that it's good business to lay away a little wheat every year to insure the losses that sooner or later are sure to come. If there is ever a year when a bushel of wheat has double value, it's a season when the crop fails.--The above facts were submitted by the Kansas AAA for publication in Newsletter.

CONFERENCE URGES FURTHER STUDY ON QUALITY INSURANCE

The prospects of offering "quality" insurance to the Nation's wheat growers are much better since the last annual FCI conference.

The committee assigned to study and report on this phase of the program expressed itself as being "convinced that we cannot truthfully state that we are offering 'all-risk' insurance until quality insurance is coupled with coverage for quantity."

"We recognize that a loss in quality, from the standpoint of wheat income, is just as serious as a loss from quantity," the committee said. "Since the inception of the FCI program, many wheat growers have harvested a quantity of wheat in excess of their insured production, but have failed to realize the cash equivalent of such insured production, due to the poor quality of the wheat produced.

"As rate studies have not been completed by the Corporation, we further recommend that if such studies show that a considerable rate increase is necessary to cover losses in quality, the proposed change first be submitted to the state committees."

The recommendations of this committee were adopted.

Growers Urged To Get Loan Liquidation Data From County Committee

Instead of contacting their county AAA office regarding information on the liquidation of loans on indemnity wheat, many producers are requesting such information from the FCI branch offices or direct from the Commodity Credit Corporation. Also, in some instances, growers are requesting the establishment of the equivalent of their indemnity from the Commodity Credit Corporation instead of from the branch office of the Federal Crop Insurance Corporation, all of which causes delay and confusion.

In an effort to cure this situation, it has been recommended

SELLING PAYS OFF IN TENNESSEE COUNTY

An organized sales campaign enabled Washington County, Tenn., to write more than one-third of all the 1942 crop insurance contracts written in the entire state of Tennessee, the county committee's secretary, Raymond Rosson, reports.

Of the 1,913 farms in Tennessee covered by crop insurance this year, 672--more than one-third--are located in Washington County. This county has almost a fourth of the state's entire insured acreage guaranteeing the production of more than 41,000 bushels, rain or shine.

The county committee sent notices to all farmers asking them to come to the county office to sign their Farm Plans and get crop insurance," Mr. Rosson explained. "We picked what we considered to be the best committeemen for this work--about ten of them--and as farmers came in to order their material, we would not let them loose until the crop insurance program had been fully explained.

"If the first committeeman couldn't sell him on insurance, we turned him over to another committeeman. To make it really airtight, we put a good strong committeeman at the door to be sure that it had been fully explained and contacted everyone that went out. There weren't very many farmers who raised wheat that got away without taking crop insurance.

"After the ball started rolling, the ten committeemen couldn't handle the applicants and we had to call in other committeemen to help out. After the word got around, farmers called at the office specifically to take out insurance."

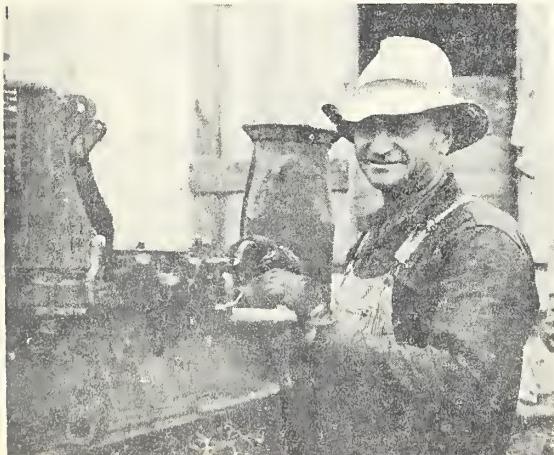
that "In counties or areas where this misunderstanding exists, a news release or similar method be used to lessen this confusion by directing indemnified farmers to consult their county committees as to the approximate cash values of their certificates of indemnity and as to the proper method of liquidating the loan."

"... neighborly speaking."



NO INDEMNITY--NO COMPLAINTS

Here's what Jim Peterka of Walsh County, North Dakota, says about all-risk crop insurance: "I've carried crop insurance all 3 years it has been offered and I'm not complaining because I've not collected an indemnity yet. My son Ben and I were figuring it up the other day and found that we can pay crop insurance premiums for 13 years before we'd have paid out enough for one complete crop loss . . I don't get excited about a wheat crop until I have it in the bin. I remember 1935 when my wheat looked good for 25 bushels an acre. It was thick as hair on a dog's back. Well, sir, along about July the weather got warm and sultry, rust came in and wiped out the whole crop . . In 1931 my wheat looked great until the afternoon of June 30 when hailstones fell the size of your fist . . That year I salvaged about $2\frac{1}{2}$ bushels an acre . . Crop insurance is just an easy way to save up for a rainy day--or a hail-storm--or drought--or rust."



MORE MONEY FOR GENERAL EXPENSES

In 1940 Jacob J. Quant's wheat crop near Lockhart, Minnesota, was hit by practically everything--drought, hail, frost, grasshoppers, for example. He did harvest 42 bushels from 22 acres, but he had only a one-half share in that. He says, "I have had tough luck with my wheat crop the last two years and am grateful for crop insurance. In 1940 the Federal Crop Insurance Corporation paid me 79 bushels for which I received a check for \$41.87. This money was used for general expenses."

CROP INSURANCE ADDS SURENESS TO BUSINESS

I wish to take this opportunity to recommend the crop insurance plan from the standpoint of the effect it has upon my business. I have been in the automobile and implement business in Ada, Minnesota, for many years and have always considered security to be foremost in the growth of my business. As I sell a great deal of merchandise to the farmers in this territory, I feel that with the fine protection the crop insurance plan affords, my credit risks with these people are more satisfactory.

--O. A. Larson, Larson Motor Co., Ada, Minn.



CAN'T AFFORD TO BE WITHOUT INSURANCE

"Of course I want my wheat insured every year, whether or not I have a loss," says R. E. Deutscher who farms about 60 acres of wheat in Bon Homme County, South Dakota. "I'd much rather raise a crop than collect indemnities. If I get a crop I can afford to pay the premiums; but when I have a loss, I can't afford to be without insurance. Drought, hoppers, and rust wiped out my wheat crop this year. But Federal crop insurance protects a farmer against any and all of these hazards, and that's the one thing I particularly like about it -- the all-risk angle. It's so much better than insuring a crop against just one risk, and for only a limited length of time. Federal crop insurance protects the grain from the time it's seeded until it's in the bin. I'd like to see a similar insurance plan for other small grains and corn. That would give a farmer a chance to insure a greater part of his income."



FARM PRODUCTION INSURANCE ACTED ON AT FCI CONFAB

Special Emphasis Placed On Corn Crop Insurance

Insurance against unavoidable loss to all farm production may be an outgrowth of the Denver FCI conference.

A committee recommendation that special studies be started at once with a view to insuring all necessary farm commodities was adopted.

With reference to insurance on all crops the Committee on Program Changes Requiring Enabling Legislation declared it had discussed the extension of crop insurance to other commodities, namely, citrus fruits, tobacco, rice, and forests.

"In our opinion, there will be many additional commodities recommended for inclusion in the crop insurance program in the near future, and it is believed a long-range viewpoint should be taken for the study of this problem to the result that a well-rounded crop insurance program will consist of farm production insurance, the committee reported.

"It is recognized that farm production times price equals farm income. It is therefore recommended that special studies be made on all necessary farm commodities rather than only for the commodities named, to the end of formulating a farm production insurance program."

In its report to the conference the committee recognized especially the importance that income from acreage planted to corn has on the corn grower and on national defense at the present time.

Accordingly, the conference adopted the committee's recommendation "that action be taken to provide legislation whereby Federal crop insurance can be made available to corn growers, comparable to the all-risk insurance now available to the growers of wheat and cotton."

**REMEMBER
PEARL HARBOR!**

IDEA EXCHANGE A GOOD IDEA!

North Dakota's AAA NEWS has the right idea in offering informational help to, and soliciting new ideas from, county offices within the state. Here's how the North Dakota AAA NEWS went about doing this:

"Requests from several counties for informational help in carrying out the 1942 crop insurance campaign prompts us to invite all counties to make known their wants and needs. In the near future informational and sales helps will be sent to each county.

"At the same time, we solicit YOUR HELP. If you have some ideas that have been working well, send them along. We'll pass them along to other counties and see that you get the credit.

"We suggest that every county office prepare at least one crop insurance news story a week for publication in a local newspaper. This field is unlimited -- use local stuff, testimonials, how the program works, etc. Visit your local editor. Invite him to your meetings. The editor can be your most valuable friend.

"Other suggestions: Illustrated circular letters and cards; signs and posters; film strips and movies; individual letters; leaflets. Best samples of county office initiative will be given mention in AAA NEWS."

80 PERCENT OF UTAH'S ALLOTMENT IS INSURED

To Utah this year goes the honor of having the highest percentage of its wheat acreage allotment covered by all-risk crop insurance. This state's 1942 wheat allotment is 211,183 acres of which 169,766 acres or 80.3 percent is insured. The estimated insured production for Utah wheat farmers next year is almost $2\frac{1}{2}$ million bushels.

Other states having a high percentage of their 1942 wheat acreage allotment insured are Nebraska with 57 percent; Illinois with 50.4 percent; Missouri with 45.5 percent; and Michigan with 40.4 percent.

Timely TIPS

Shiawassee County, Michigan, gets crop insurance headlines in the papers because excellent original stories are turned in to the local press. They had one during the 1942 sign-up announcing a state-wide sales contest and another after the sign-up giving particulars about results. Every county has a sign-up campaign and there are always results to announce, so why not follow Shiawassee's lead?

THE ENTIRE FRONT PAGE OF THE DECEMBER ISSUE OF NORTH DAKOTA'S AAA NEWS WAS DEVOTED TO A CROP INSURANCE CARTOON ILLUSTRATING HOW CROP INSURANCE HAS DEFEATED UNAVOIDABLE HAZARDS IN NORTH DAKOTA. THE CARTOON IS CAPTIONED "THE WINNAH!" A FARMER IS HOLDING UP THE ARM OF A PERSONALIZED CROP INSURANCE POLICY TO INDICATE VICTORY. AN UGLY BRUTE LABELED "CROP HAZARDS" IS WATCHING THE STARS IN A HORIZONTAL POSITION.

As a prelude to 1943 crop insurance business Ogemaw County, Michigan, got a story published in a local paper concerning the first 25 contracts ever written in the county.

A CROP INSURANCE CONTRACT IS TO THE WHEAT OR COTTON FARMER WHAT TANKS, PLANES, SHIPS, GUNS, AND FOOD ARE TO THE NATION RIGHT NOW. DON'T OVERLOOK THE OPPORTUNITY TO POINT OUT THESE PARALLEL FEATURES OF THE TWO PROGRAMS AND HOW STABILIZED INCOME THROUGH CROP INSURANCE WILL HELP WIN THE WAR.

CHINCH BUGS THREATEN NEBRASKA'S 1942 CROP

Nebraska's next wheat crop faces the worst chinoh bug threat in recent years it is reported. This report is based on a survey made the latter part of November and early December. The amount of damage these pests do to the next crop, however, depends largely on weather conditions between now and next summer.

TERM INSURANCE

(Cont'd from page 1)

no action be taken on it this year. It was also recommended that no change be made in connection with minimum total premiums nor in the method of handling rejection of applications. A strenuous effort will be made in the future to more closely coordinate all procedures and to make procedures and printed forms available at the earliest possible date.

In order to formulate a well-rounded educational and sales program to increase 1943 participation, the Committee on Information and Presentation made several specific recommendations emphasizing especially the greater need for a year-round educational program and more local and human interest material.

Recommendations made by the Committee on Yields and Rates include a simpler method of arriving at yields and rates on individual farms--a method that can more easily be explained to the wheat grower. In this connection, the most serious consideration was given to a graduated rate schedule plan which would take into consideration the various farming practices, soil types, topography, and land use within a county. Further study of such a plan was recommended with a view to putting it into operation eventually.

The conference adopted the recommendation that more consideration be given to better farming practices brought about by the conservation program. The belief was expressed that in many cases current summer fallow yields and rates were not applicable in counties and on farms where improved methods of farming have been followed for a considerable time. On the other hand, where yields and rates have been set up on a special practices basis and such special practice has not been followed for a considerable period, 3 years in most cases, it was recommended that it be dropped from the listing sheet.

The Committee on Program Changes Requiring Enabling Legislation made a report on several proposals but in each instance recommended further and more intense study. The proposals suggested for further study were:

Kansas And Virginia Trade Climate In 1941

Seldom, if ever, does the Middle West have as much rainfall as the eastern and southern states, but it happened in 1941. In fact, some of the area between the Mississippi River and the Rocky Mountains had about 35 percent more rain last year than the normally humid eastern states.

The best illustration of these reverse weather conditions was in Kansas and Virginia for the 10-month period from January to October. Kansas, for example, normally has about 25 inches of rain in this period and Virginia a little over 36 inches. In 1941, Kansas had 35 inches of rain in the first 10 months of the year and Virginia only 26 inches.

Several of the southwestern states last year had rainfall from 150 to 200 percent of normal in contrast to some of the central eastern states which had less than 75 percent of normal. The greatest excess was in New Mexico and the largest deficiency in Virginia and Kentucky.

The 1941 yield per acre figures for the four above-named states seem to prove that unusually high or low rainfall does not make or break a wheat crop. Virginia's 1941 yield per acre, for instance, was 4 percent above the 1930-39 average; Kentucky's 36 percent above. Kansas' wheat acres yielded 25 percent above average and New Mexico 61 percent above.

(1) Upper 75 percent insurance; (2) 75 percent coverage on any loss under the average yield for the farm; (3) Coverage for fire and hail on an acreage basis; (4) Insuring quality, and (5) Extension of insurance to crops other than wheat and cotton. Further details regarding committee recommendations on these five proposals will be found on other pages of this issue.

The conference unanimously approved the recommendation of the Joint Committee on Wheat and Cotton Problems that "In order to avoid administrative confusion and to maintain uniformity and economy in crop insurance work, all procedures be developed, insofar as practicable, along parallel lines for all crops which have been or which may become insurable under the Crop Insurance Act."

INFO PLAN

(Cont'd from page 1)

4. Two concise letters should be mailed to businessmen to correspond with mailing of cards to farmers as suggested in item 3.

5. Three leaflets shall be available, one question and answer leaflet for mailing during the month preceding deadlines, one general leaflet giving a comprehensive explanation of the program including changes for the current year, one leaflet appealing to farm women for mailing well before closing dates.

6. One general poster, approximately 22 by 28 inches in size, which should be displayed two months preceding deadlines and one smaller poster for display on insured farms.

7. Window exhibit displays should be changed monthly throughout the year. The three sets to be used preceding deadlines should have local adaptation although processing of them will be done by Washington.

8. Illustrated stencils for locally adapted circular letters will be made available through the Newsletter on a monthly basis if possible.

9. Greater use should be made of locally adapted colored slides instead of film strips. The Washington office will assist in the preparation and processing of series of slides emphasizing various phases of the program.

10. Four newsmats should be used, one each during March, June, August, and September in winter wheat states and during August, November, January and February for spring wheat states. Participation charts or dot maps should be used after the sign-up.

11. Press releases on a state or county basis will be prepared by state offices whenever an occasion warrants. In addition, general news releases on program changes and progress will be released from Washington.

12. The Washington office will determine the exact quantities of material needed for successful prosecution of the FCI information program. Such material will be shipped in sufficient time for most effective use, if possible, taking into consideration the war-time burden on printing and other processing facilities of the Government.

13. State and county committees shall further the FCI program during slack periods by working with business and civic groups.